

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
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Independent Auditor's Report

To the Members of Vikas Publishing House Private Limited

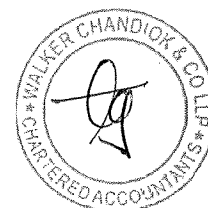
Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Vikas Publishing House Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered
with limited liability with identification
number AAC-2085 and its registered office
at L-41 Connaught Circus, New Delhi,
110001, India

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Independent Auditor's Report of even date to the members of Vikas Publishing House Private Limited, on the financial statements for the year ended 31 March 2022 (Cont'd)

Emphasis of Matter – (COVID-19)

4. We draw attention to note 56 of the accompanying financial statements which described the uncertainties relating to the COVID-19 pandemic outbreak and management's evaluation of impact on the operations and the accompanying financial statements of the Company as at the balance sheet date, the extent of which is significantly dependent on future developments. Our opinion is not modified in respect of this matter.

Information other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditor's report thereon.

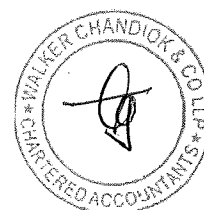
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Directors' Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



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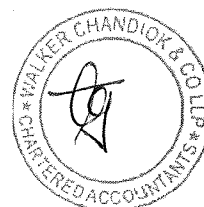
Independent Auditor's Report of even date to the members of Vikas Publishing House Private Limited, on the financial statements for the year ended 31 March 2022 (Cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls};
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

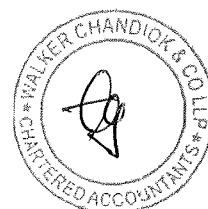
12. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.



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Independent Auditor's Report of even date to the members of Vikas Publishing House Private Limited, on the financial statements for the year ended 31 March 2022 (Cont'd)

13. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in note 51 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022.;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022.;
 - iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 57(d) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;



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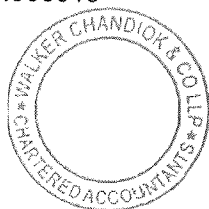
Independent Auditor's Report of even date to the members of Vikas Publishing House Private Limited, on the financial statements for the year ended 31 March 2022 (Cont'd)

- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 57(e) to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Tarun Gupta
Partner
Membership No.: 507892



UDIN: 22507892AJLRRRA6975

Place: New Delhi
Date: 23 May 2022

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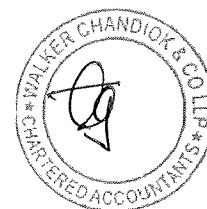
Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Vikas Publishing House Private Limited on the financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or Intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

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Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Vikas Publishing House Private Limited on the financial statements for the year ended 31 March 2022 (Cont'd)

(b) The Company has working capital limits in excess of ₹ 50.00 million sanctioned by banks based on the security of current assets. The quarterly returns/ statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/ statements are in agreement with the books of account of the Company for the respective periods which were subject to audit/review, except for the following:

Name of the Bank	Working capital limit sanctioned (₹ in million)	Nature of current assets offered as security	Quarter	Amount reported as per returns/ statements (₹ in million)	Amount as per books of accounts (₹ in million)	Difference (₹ in million)	Remarks/ reason, if any
HDFC Bank	270.00	Inventories	June 2021	346.40	347.16	(0.76)	Refer note below.
		Trade Receivables		907.16	896.11	11.05	
		Trade Payables		155.17	186.19	(31.02)	
		Inventories	September 2021	305.74	309.80	(4.06)	
		Trade Receivables		763.00	777.99	(14.99)	
		Trade Payables		68.39	123.18	(54.79)	
		Inventories	December 2021	404.20	404.20	-	
		Trade Receivables		823.13	821.31	1.82	
		Trade Payables		219.48	278.13	(58.65)	
		Inventories	March 2022	271.25	271.25	-	
		Trade Receivables		1,022.58	1018.07	4.51	
		Trade Payables		234.65	286.15	(51.50)	
State Bank of India	280.00	Inventories	June 2021	346.40	347.16	(0.76)	
		Trade Receivables		907.16	896.11	11.05	
		Trade Payables		155.17	186.19	(31.02)	
		Inventories	September 2021	305.74	309.80	(4.06)	
		Trade Receivables		763.00	777.99	(14.99)	
		Trade Payables		68.39	123.18	(54.79)	
		Inventories	December 2021	404.20	404.20	-	
		Trade Receivables		823.13	821.31	1.82	
		Trade Payables		219.48	278.13	(58.65)	
		Inventories	March 2022	271.25	271.25	-	
		Trade Receivables		1,022.58	1018.07	4.51	
		Trade Payables		234.65	286.15	(51.50)	

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Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Vikas Publishing House Private Limited on the financial statements for the year ended 31 March 2022 (Cont'd)

Name of the Bank	Working capital limit sanctioned (₹ in million)	Nature of current assets offered as security	Quarter	Amount reported as per returns/ statements (₹ in million)	Amount as per books of accounts (₹ in million)	Difference (₹ in million)	Remarks/ reason, if any
Bandhan Bank	90.00	Inventories	December 2021	404.20	404.20	-	
		Trade Receivables		823.13	821.31	1.82	
		Trade Payables		219.48	278.13	(58.65)	
		Inventories	March 2022	271.25	271.25	0.00	
		Trade Receivables		1,022.58	1018.07	4.51	
		Trade Payables		234.65	286.15	(51.50)	

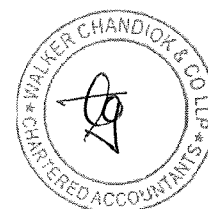
Note: Following are the nature of reconciling items between amounts reported as per quarterly returns/ statements and amounts as per books of accounts:

- Inventories - adjustments on account of sales returns and provision for slow moving/ non-moving items (finalised at the time of audit/ review completion);
- Trade receivables – on account of exclusion of related party balances, and adjustments related to provision for sales returns/ discounts (finalised at the time of audit/ review completion); and
- Trade payables – on account of exclusion of payables towards royalty and expenses accrual other than creditors for printing and purchase of books.

(iii)(a) The Company has provided guarantee to Others during the year as per details given below:

Particulars	Guarantee (₹ in million)
Aggregate amount granted during the year:	
- Others (fellow subsidiary)	100.00
Balance outstanding as at balance sheet date in respect of above cases:	
- Others (fellow subsidiary)	100.00

- (b) In our opinion, and according to the information and explanations given to us, the investments made and guarantee provided during the year by the Company are not prejudicial to the Company's interest. The Company has not given any security or granted any loans or advances in the nature of loans during the year.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and principal amount is not due for repayment currently, however, the receipts of interest are regular, except for the following instances:



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Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Vikas Publishing House Private Limited on the financial statements for the year ended 31 March 2022 (Cont'd)

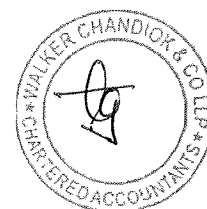
Name of the Entity	Amount due (₹ in million)	Due date	Extent of delay (in days)	Remarks (if any)
BPI (India) Private Limited	0.38	30-Apr-21	336	Reasonable steps have been taken by the Company for recovery of such due amounts.
	0.40	31-May-21	305	
	0.39	30-Jun-21	275	
	0.41	31-Jul-21	244	
	0.41	31-Aug-21	213	
	0.40	30-Sep-21	183	
	0.41	31-Oct-21	152	
	0.40	30-Nov-21	122	
	0.42	31-Dec-21	91	
	0.42	31-Jan-22	60	
	0.39	28-Feb-22	32	
	0.43	31-Mar-22	1	

- (d) The total amount which is overdue for more than 90 days as at 31 March 2022 in respect of loans granted to such companies is as follows:

Particulars	Amount (₹ in million)	No. of Cases	Remarks (if any)
Interest	6.37	17	Reasonable steps have been taken by the Company for recovery of such principal amounts and interest.
Total	6.37	17	

Reasonable steps have been taken by the Company for recovery of such principal amounts and interest.

- (e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (f) The Company has not granted any loan or advance in the nature of loan, which is repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans, investments and guarantees, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of security.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.



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Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Vikas Publishing House Private Limited on the financial statements for the year ended 31 March 2022 (Cont'd)

- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ million) in	Amount paid under Protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending	Remarks (if any)
Income Tax Act, 1961	Income Tax	11.23	-	AY 2019-20	Commissioner of Income Tax (Appeals)	None
Delhi Value Added Tax, 2004	Value Added Tax	5.86	-	FY 2017-18	Assistant Commissioner/ AVATO	

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix)(a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

